Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Text

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ORIGIN NEA-10

INFO OCT-01 ISO-00 DODE-00 EB-08 NSAE-00 ICA-20
TRSE-00 SOE-02 DOE-15 CIAE-00 COME-00 MCE-00 PM-05
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DRAFTED BY NEA/AFN:ABERGSTROM:LLC
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TO AMEMBASSY TRIPOLI PRIORITY
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E.O. 11652: N/A

TAGS: BGEN MARR US LY

SUBJECT: OSHKOSH TRUCKS FOR LIBYA

1. FOLLOWING PRESS GUIDANCE USED AT JUNE 30 BRIEFING
MAY BE USED ON IF ASKED BASIS:

THE SECRETARY HAS RECONFIRMED THE DEPARTMENT'S EARLIER
,ECISION TO RECOMMEND TO THE DEPARTMENT OF COMMERCE THAT
THE EXPORT OF HEAVY TRUCKS TO LIBYA BE PROHIBITED UNDER
THE EXPORT CONTROL REGULATIONS. AT THE REQUEST OF
SENATORS PROXMIRE AND NELSON AND CONGRESSMAN STEIGER, AND
OF OSHKOSH TRUCK CORPORATION, THE SECRETARY PERSONALLY
REVIEWED THIS MATTER. OSHKOSH TRUCK CORPORATION HAD
PLANNED TO EXPORT 400 HEAVY DUTY TRUCKS TO LIBYA TO BE
USED BY THE LIBYAN MILITARY TO TRANSPORT TANKS. IN LIGHT
OF LIBYA'S SUPPORT FOR TERRORIST ACTIVITIES, WE HAVE
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CONCLUDED THAT IT IS NOT IN THE FOREIGN POLICY INTERESTS
OF THE UNITED STATES TO PERMIT THESE TRUCKS TO BE EXPORTED.

Q: DOES THE DEPARTMENT OF STATE MAKE THE FINAL DECISION
IN THIS MATTER?

A: NO. THE DECISION IS MADE BY THE DEPARTMENT OF

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COMMERCE.

Q: DOES COMMERCE AGREE WITH STATE?

A: COMMERCE HAS PREVIOUSLY INFORMED THE COMPANY THAT VALIDATED LICENSES WOULD BE NEEDED UNDER THE EXPORT CONTROL ACT TO EXPORT THE TRUCKS AND THAT LICENSES WOULD IN ALL LIKELIHOOD BE DENIED IF THE COMPANY APPLIED FOR THEM. IT IS OUR UNDERSTANDING THAT THAT IS STILL THE DEPARTMENT OF COMMERCE POSITION.

Q: WHAT HARM WILL THE DEPARTMENT'S DECISION CAUSE OSHKOSH TRUCK CORPORATION AND THE CITY OF OSHKOSH?

A: THE COMPANY HAS TOLD US THAT THE OSHKOSH TRUCK CORPORATION AND THE CITY OF OSHKOSH WILL SUFFER ECONOMIC LOSS IF THE TRUCKS CANNOT BE EXPORTED. WE DO NOT HAVE ANY REASON TO DOUBT THIS, AND WE REGRET THAT RESULT.

Q: WILL THE LIBYAN MILITARY BE ABLE TO OBTAIN SIMILAR TRUCKS FROM OTHER COUNTRIES?

A: YES, BUT ALTERNATIVE SOURCES OF SUPPLY ARE NOT A CONTROLLING FACTOR IN DECISIONS OF THIS KIND.

Q: IS THE DEPARTMENT PRESENTLY RECONSIDERING ITS EARLIER UNCLASSIFIED

DECISION TO PROHIBIT THE SALE OF BOEINGS TO LIBYA'S CIVILIAN AIR FORCE?

A: YES.

Q: HOW DOES THE DEPARTMENT SQUARE THE DECISION IN OSHKOSH WITH THE PRESIDENT'S ANNOUNCED POLICY OF PROMOTING EXPORTS?

A: THE DEPARTMENT IS VERY CONSCIOUS OF THE NEED TO PROMOTE EXPORTS, AND WE ARE WORKING WITH COMMERCE AND OTHER DEPARTMENTS ON THAT MATTER. THIS GOVERNMENT, HOWEVER, IS ALSO COMMITTED TO DEALING EFFECTIVELY WITH INTERNATIONAL TERRORISM AND TO DISCOURAGING EFFORTS TO UNDERMINE FRIENDLY GOVERNMENTS.

Q: DIDN'T THE COMMERCE DEPARTMENT PREVIOUSLY OK THE EXPORT OF THESE TRUCKS?

A: THE COMMERCE DEPARTMENT DID INFORM OSHKOSH WHEN ASKED THAT VALIDATED LICENSE WAS NOT REQUIRED FOR THE TRUCK DESCRIBED. HOWEVER, THE COMPANY DID NOT HAVE ANY TRUCKS

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READY FOR DELIVERY AT THAT TIME. THE TRUCKS WERE TO BE DELIVERED BETWEEN AUGUST 1978 AND JUNE 1979. THE COMMERCE DEPARTMENT DID NOT AND COULD NOT HAVE TOLD THE COMPANY THAT THE TRUCKS WOULD BE EXPORTABLE WITHOUT LICENSE IN THE FUTURE.

Q: I UNDERSTAND THAT THE COMPANY TAKES THE POSITION THAT IT WAS MISLED BY COMMERCE AND HAS BEEN CAUGHT IN A DISAGREEMENT BETWEEN GOVERNMENT AGENCIES. IS THAT TRUE?

A: NO. THE COMPANY WAS CLEARLY WARNED ON FEBRUARY 24, BEFORE THE SALE CONTRACT BECAME FINAL, THAT THE DEPARTMENT OF STATE WAS TROUBLED BY THE POTENTIAL SALE AND WAS LIKELY TO TAKE STEPS TO PREVENT IT.
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Message Attributes

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Current Classification: UNCLASSIFIED
Concepts: TRUCKS, SALES, PRESS RELEASES
Control Number: n/a
Copy: SINGLE
Draft Date: 03 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: ABERGSTROM:LLC
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
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Handling Restrictions: n/a
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Litigation History:
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Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
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Review Withdrawn Fields: n/a
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